

AMENDED IN SENATE MAY 1, 2001
AMENDED IN SENATE MARCH 29, 2001

SENATE BILL

No. 1114

Introduced by Senator Brulte

February 23, 2001

An act to amend Section 7205 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

SB 1114, as amended, Brulte. Local sales and use taxes: concrete: point of sale.

The Bradley-Burns Uniform Local Sales and Use Tax Law authorizes counties and cities to impose sales and use taxes pursuant to the adoption of local ordinances including specified provisions. That law requires, in the case in which a retailer has more than one place of business in the state, that the places at which the sales of that retailer are consummated for purposes of a local sales tax be determined in accordance with rules and regulations prescribed and adopted by the State Board of Equalization.

This bill would specify, for purposes of applying a local sales tax imposed under the Bradley-Burns Uniform Local Sales and Use Tax Law to any sale of concrete by a concrete batch plant, that the point of sale of that concrete is the point of manufacture of that concrete, if the principal negotiations for that sale are conducted in this state and the retailer of that concrete has more than one place of business in the state.

This bill would take effect immediately as a tax levy, *but would specify that it would become operative on the first day of the first*

calendar quarter commencing more than 90 days after the effective date of this bill.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 7205 of the Revenue and Taxation Code
2 is amended to read:

3 7205. (a) For the purpose of a sales tax imposed by an
4 ordinance adopted pursuant to this part, all retail sales are
5 consummated at the place of business of the retailer unless the
6 tangible personal property sold is delivered by the retailer or his
7 or her agent to an out-of-state destination or to a common carrier
8 for delivery to an out-of-state destination. The gross receipts from
9 those sales shall include delivery charges, when those charges are
10 subject to the state sales and use tax, regardless of the place to
11 which delivery is made.

12 (b) (1) In the event a retailer has no permanent place of
13 business in the state or has more than one place of business, the
14 place or places at which the retail sales are consummated for the
15 purpose of a sales tax imposed by an ordinance adopted pursuant
16 to this part shall, subject to paragraphs (2) and (3), be determined
17 under rules and regulations to be prescribed and adopted by the
18 board.

19 (2) In the case of a sale of jet fuel, the place at which the retail
20 sale of that jet fuel is consummated for the purpose of a sales tax
21 imposed by an ordinance adopted pursuant to this part is the point
22 of the delivery of that jet fuel to the aircraft, if both of the following
23 conditions are met:

24 (A) The principal negotiations for the sale are conducted in this
25 state.

26 (B) The retailer has more than one place of business in the state.

27 (3) In the case of a sale of concrete by a concrete batch plant,
28 the place at which the retail sale of that concrete is consummated
29 for the purpose of a sales tax imposed by an ordinance adopted
30 pursuant to this part is the point of the manufacture of that concrete
31 at the batch plant from which delivery of the concrete is made to
32 the end-use customer, if both of the following conditions are met:



1 (A) The principal negotiations for the sale are conducted in this
2 state.

3 (B) The retailer has more than one place of business in the state.

4 SEC. 2. This act provides for a tax levy within the meaning of
5 Article IV of the Constitution and shall go into immediate effect.

6 *However, this act shall become operative on the first day of the first*
7 *calendar quarter commencing more than 90 days after the effective*
8 *date of this act.*

